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8 *Attorneys for LBA RV-COMPANY XXVII, LP*

9

10 **UNITED STATES BANKRUPTCY COURT FOR THE**
11 **EASTERN DISTRICT OF CALIFORNIA**

12 In re) Case No. 9:18-bk-90029
13 JEFFERY EDWARD ARAMBEL,) Chapter 11
14 Debtor.)
15) **LBA RV-COMPANY XXVII, LP'S NOTICE**
16) **OF APPEAL AND STATEMENT OF**
17) **ELECTION TO HAVE APPEAL HEARD BY**
18) **DISTRICT COURT**
19)
20) DCN: MF-40
21)
22) Honorable Ronald H. Sargis
23)
24)
25)
26)
27)
28)

1 Pursuant to 28 U.S.C. § 158(a), Creditor LBA RV-COMPANY XXVII, LP (“LBA”), by and
2 through undersigned counsel, hereby appeals to the United States District Court for the Eastern District
3 of California from the Order Confirming Debtor in Possession’s Plan of Reorganization (Dkt. No. 970,
4 DCN MF-40) (“Confirmation Order”) entered by the United States Bankruptcy Court for the Eastern
5 District of California on September 15, 2019. A copy of the Confirmation Order is attached hereto as
6 **Exhibit A.**

7 The name of the other party to the Confirmation Order and the names, addresses, and telephone
8 numbers of counsel are as follows:

9 **MACDONALD FERNANDEZ LLP**
10 Iain A. MacDonald (SBN 051073)
Reno F.R. Fernandez III (SBN 251934)
Matthew J. Olson (SBN 265908)
11 914 Thirteenth Street
Modesto, California 95354
Telephone: (209) 521-8100
Facsimile: (415) 394-5544

12 *Attorneys for Debtor in Possession Jeffery E. Arambel*

13 LBA hereby elects to have its appeal heard by the United States District Court for the Eastern
14 District of California rather than by the Bankruptcy Appellate Panel.

15
16
17
18 DATED: September 27, 2019

SEYFARTH SHAW LLP

19
20 By: /s/ M. Ryan Pinkston
James B. Sowka
M. Ryan Pinkston

21
22 *Attorneys for LBA RV-COMPANY XXVII, LP*

EXHIBIT A

6

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Attorneys for Debtor in Possession,
JEFFERY EDWARD ARAMBEL

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA

10 In Re: Case No. 18-90029-E-11
11 JEFFERY EDWARD ARAMBEL, Chapter 11
12 Debtor. DCN: MF-40

Confirmation Hearing:
Date: September 10, 2019
Time: 10:00 a.m.
Place: Courtroom 33
501 I Street, 6th Floor
Sacramento, California

**ORDER CONFIRMING DEBTOR IN POSSESSION'S
PLAN OF REORGANIZATION (Dated July 19, 2019)**

The plan under chapter 11 of the Bankruptcy Code filed by Jeffery E. Arambel, Debtor in Possession herein, on July 19, 2019, (Dckt. No. 860) having been transmitted to creditors and equity security holders; and

It having been determined after hearing on notice that the requirements for confirmation set forth in 11 U.S.C. § 1129(b) have been satisfied; for the reasons stated orally on the record,

IT IS ORDERED that the Plan filed by Jeffery E. Arambel, Debtor in Possession herein, on July 19, 2019, Docket 860, as modified as set forth below, is confirmed.

IT IS FURTHER ORDERED that the Plan is modified as follows:

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ember 13, 2019
S. BANKRUPTCY COURT
DISTRICT OF CALIFORNIA
2025552024

1. Section 1.74 of the Plan is modified to read:

2 **1.74** “Post-Confirmation Service List” means a service list comprised of the
 3 names and email addresses for (a) all Creditors holding Claims in Classes 1 and 2, (b)
 4 the Creditors holding the five (5) largest Claims in Class 6 as of the Effective Date,
 5 (c) each member of the Oversight Committee, (d) the Reorganizing Debtor, (e) the
 6 Plan Administrator, (f) the Office of the United States Trustee, (g) any party who
 7 objected to confirmation of the Plan, and (h) any other Creditor or party in interest
 8 that files with the Bankruptcy Court a request for post-Confirmation notice after the
 Effective Date and serves it on all parties on the Post-Confirmation Service List;
 provided, however, that any Creditor or party in interest may be removed from the
 Post-Confirmation Service List with their consent or by order of the Bankruptcy
 Court on notice to the then-constituted Post-Confirmation Service List upon a
 showing that such Creditor or such party no longer holds a Claim or has an interest in
 the Case.

9 2. The reference to Class 1(b) in Section 4.1 of the Plan is modified to read:

10 Class	11 Name of Creditor	12 Estimated Amount of Claim	13 Interest Rate	14 Disputed?
1(b)	Summit	\$45,491,296.74	12%	No

15 3. The reference to Class 3(a) in Section 4.3 of the Plan is modified to read:

16 Class	17 Name of Creditor	18 Estimated Amount of Claim	19 Amount of Arrears	20 Disputed?
3(a)	Chase Bank, N.A.	\$175,603.78	\$5,911.78	No

21 4. Section 4.5 of the Plan is modified to add a reference to a new class 5(d), as follows:

22 Class	23 Name of Creditor	24 Estimated Amount of Claim	25 Collateral
5(d)	CNH Industrial Capital	\$20,041.77	2 Rears model LSH08K946 mowers

26 5. The reference to Benjamin Lopez in Class 4.6 of the Plan is modified to read:

27 Name of Creditor	28 Estimated Amount of Claim	29 Disputed?
Benjamin Lopez	\$1,600,000.00	No

30 6. Section 6.5.4 is added to Plan to read as follows:

31 **6.5.4 Class 5(d)—Secured Claim of CNH Industrial Capital**

32 The Allowed Secured Claim in Class 5(d) of CNH Industrial Capital is not
 33 modified by the Plan. On the Effective Date, CNH Industrial Capital is granted relief
 34 from the automatic stay to commence nonjudicial foreclosure proceedings of its
 35 collateral in accordance with the applicable prepetition loan documents and
 36 applicable non-bankruptcy law and to obtain possession of its collateral in accordance
 37 with applicable non-bankruptcy law. The Reorganizing Debtor shall voluntarily
 38 surrender his possession of the collateral. To the extent Allowed Secured Claim in
 39 Class 5(d) of CNH Industrial Capital is not satisfied by the recovery on its collateral,
 40 the balance of its Claim is a Class 6 General Unsecured Claim and CNH Industrial

1 Capital shall file an amended proof of claim to assert said Class 6 General Unsecured
2 Claim within six months of recovering possession of its collateral.

3 7. Section 6.6 of the Plan is modified to read as follows:

4 **6.6 Class 6—General Unsecured Claims**

5 Allowed Claims in Class 6 shall receive periodic Pro Rata Distributions up to
6 the full amount their Allowed Claims, plus simple interest at the Federal Judgment
7 Rate. Such periodic Pro Rata Distributions shall be made from the Proceeds of the
8 sale of the Plan Assets, through the refinancing of the Plan Assets, from
9 unencumbered Plan Assets, from the use of Plan Funding Cash Collateral determined
10 by the Plan Administrator to be Available Cash, or a combination of any of the
11 forgoing. The Reorganizing Debtor shall use commercially reasonable efforts to
12 cause Allowed Claims in Class 6 to be paid in full as soon as practicable after the
13 payment in full of Allowed Secured Claims in Classes 1 and 2 and within 21 months
14 of the Effective Date; provided, however, that Summit, both for itself and in its
15 capacity as a Plan Funding Lender, shall allow the Reorganizing Debtor to use Plan
16 Funding Cash Collateral, to the extent determined by the Plan Administrator to be
17 Available Cash, to fund such periodic payments prior to the repayment in full of
18 Summit's Allowed Secured Claim in Class 1 and Summit's Plan Funding Claim.
19 Pursuant to the terms and conditions of the Cash Collateral Fund (as defined in the
20 Plan Credit Agreement with Summit), Plan Funding Cash Collateral shall be made
21 available to the Reorganizing Debtor as follows: upon the consummation of any sale
22 or refinance of Summit's collateral authorized by a Final Order of the Bankruptcy
23 Court, the cash Proceeds of any such sale or refinance otherwise due to Summit (after
24 payment of all Claims having priority over Summit) shall be distributed: (a) first, to
25 Summit on account of its Allowed Secured Claim in Class 1 until Summit has
26 received a total of \$2,000,000.00 on account of such Allowed Secured Claim; and
27 (b) second, 90% to Summit on account of its Allowed Secured Claim in Class 1 and
10% to fund the Cash Collateral Fund until the Cash Collateral Fund has been funded
in full up to the Plan Funding Maximum Cash Amount. The Reorganizing Debtor
and the Plan Administrator shall use commercially reasonable efforts to distribute
36.25% of the Plan Funding Maximum Cash Collateral Amount to holders of
Allowed Claims in Class 6 within 12 months of the Effective Date.

20 8. Section 7.8.5 of the Plan is modified to read as follows:

21 **7.8.5 Withholding Taxes**

22 Pursuant to Section 346(h) of the Code, the Reorganizing Debtor and the Plan
23 Administrator shall be entitled to deduct any applicable federal, state or local
24 withholding taxes from any cash payments made with respect to Allowed Claims, as
25 appropriate. The Reorganizing Debtor and the Plan Administrator shall be permitted
26 to withhold a Distribution to any Creditor that has not provided information requested
27 by the Reorganizing Debtor and the Plan Administrator for the purpose of fulfilling
his or her obligations hereunder. The Reorganizing Debtor and the Plan
Administrator, as applicable, shall comply with all reporting obligations imposed by
any governmental unit with respect to withholding and related taxes. This Section
7.8.4 is not a surcharge of the collateral of any secured Creditor and is not a basis for
the Reorganizing Debtor and the Plan Administrator to surcharge any collateral of
any secured Creditor.

28 / / /

1 9. Section 7.16.5 of the Plan is modified to read as follows:

2 **7.16.6 Service of Post-Confirmation Quarterly Reports**

3 A copy of each aforementioned post-Confirmation report shall be served upon
4 the Reorganizing Debtor, each person and entity on the Post-Confirmation Service
List, and the members of the Oversight Committee.

5 10. The following sentence is added to the end of Section 7.8.2(b) of the Plan:

6 For the purposes of interim distributions under this Section 7.8.2(b) to holders
7 of claims in Class 1(d) and Class 1(e) that are not an Allowed Claim, or the sale of
8 any collateral securing the claims in Class 1(d) and Class 1(e) that are not an Allowed
Claim, payments on account of said claims will be calculated as if 70% of the face
value of the asserted claim were an Allowed Claim.

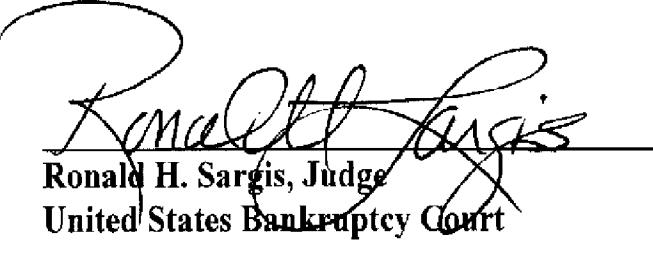
9 11. The following sentence is added to the end of Section 12.3 of the Plan:

10 This Section 12.3 shall not apply following entry of the Final Decree and
11 closing of the case, and a secured creditor's loan documents shall control with respect
to a material default thereafter.

12 12. The initial Plan Budget, as defined by Section 1.63, is attached hereto as Exhibit "A"
13 and said Plan Budget may be modified as provided for by the Plan.

14 **Dated:** September 15, 2019

15 **By the Court**

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17 Ronald H. Sargis, Judge

18 United States Bankruptcy Court

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EXHIBIT A

Arambel Budget	Pre-Confirmation				2019												2020											
	April	May	June	July	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	August Month 13	September Month 14	October Month 15	November Month 16	Total							
Starting Cash	42,628	128,030	85,292	285,034	245,250	50,000	81,646	50,000	50,000	50,000	50,000	50,000	50,000	75,507	50,000	50,000	50,000	50,000	237,752	118,601	245,250							
Cash-In					429,021	-	67,451	107,780	239,943	113,692	108,251	103,688	-	81,574	105,037	116,026	127,595	-	-	-	-	1,600,058						
Plan Loan Draw (Summit/MetLife)	-				820,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	1,000,000						
FLCC Deposit	120,000		256,000		-	-	-	-	-	-	-	-	-	250,000	-	-	-	-	-	-	-	250,000						
Crop Retainage					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,911			
Rental Income					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000			
Property Sale (Net of Liens)					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000			
Total Cash-In	120,000	-	256,000	-	1,249,021	150,610	103,753	119,780	251,943	125,692	120,251	115,688	262,000	93,574	117,037	128,026	139,595	312,000	12,000	12,000	3,558,219							
(DIP Loan + FLCC Deposit Balance)					1,249,021	1,261,021	1,340,472	1,460,252	1,712,195	1,837,887	1,958,138	2,073,826	2,085,826	2,179,400	2,296,437	2,424,463	2,564,058	2,576,058	2,588,058	2,600,058								
Cash-Out																												
Personal Expenses																												
Pharmacy	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	4,500			
Misc. Medical					500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	7,500		
Home maintenance + HOA	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	6,000		
Home Mortgage	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	6,800	102,000				
Food, Clothing, and Household	1,500	1,500	1,500	1,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	30,000				
Utilities	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	24,000				
Transportation	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	400	6,000			
Total Personal	11,000	11,000	11,000	11,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	180,000					
Farm Expenses (including payroll and withholding and employment related taxes)																												
Water and Power	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	5,000	5,000	5,000	5,000	10,000	10,000	10,000	10,000	10,000	130,000					
Fuel	400	400	400	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	400	400	400	400	1,200	1,200	1,200	1,200	1,200	14,000					
Parts	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	9,000			
Labor	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	112,500				
Reorganizing Debtor's Professionals					7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	112,500				
Total Farm	13,500	13,500	13,500	19,300	26,800	26,800	26,800	26,800	26,800	26,800	26,000	21,000	21,000	21,000	21,000	26,800	26,800	26,800	26,800	26,800	378,000							
Plan Expenses																												
Insurance	8,148	8,148	13,502	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	8,148	122,220				
Property Taxes					354,326	-	-	-	116,747	-	-	-	-	116,747	-	-	-	15,825	-	-	-	-	-	-	-	603,644		
Accountant					2,500	-	-	-	15,000	-	-	-	-	-	-	2,500	-	-	-	-	-	-	-	-	22,500			
Plan Administrator's Attorneys					15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	225,000			
US Trustees Fees	1,950	10,090		1,336		45,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	4,726								33,363		
Plan Administrator Fees					424,974	53,148	69,178	53,148	184,895	58,219	53,148	173,511	55,648	53,148	57,874	68,973	53,148	59,567	53,148	1,471,727								
Sub-Total	34,598	42,738	38,002	39,784	463,774	91,948	107,978	91,948	223,695	97,019	91,148	86,148	206,511	88,648	86,148	96,674	107,773	91,948	98,367	91,948	1,971,144							
Accrued Professional Fees																										824,805		
2018 Income Tax																												
Misc. Allowed Admin. Expenses																										103,883		
Class 2 Periodic Payment																										444,010		
Class 3 Cure Payments																										25,193		
Sub-Total	-	-	18,256	-	980,497	27,015	27,420	27,832	28,249	28,673	29,103	29,540	29,983	30,432	30,889	31,352	31,822	32,300	32,784	-	1,397,891							
Total Cash-Out	34,598	42,738	56,258	39,784	1,444,271	118,963	135,399	119,780	251,944	125,692	120,251	115,688	236,493	119,080	117,037	128,026	139,595	124,248	131,151	91,948	3,369,035							
Ending Cash	128,030	85,292	285,034	245,250	50,000	81,646	50,000	50,000	50,000	50,000	50,000	50,000	75,507	50,000	50,000	50,000	50,000	237,752	118,601	38,653	38,653							

*Class 2: pre-petition property tax

*Class 3: Wells Fargo Mortgage to clear default